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January 29, 2007

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Via Electronic Submission

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, SW, Room TW-A325
Washington, DC 20554

Re: *Ex Parte* Presentation,

**Petition for Order Declaring South Slope Cooperative Telephone Company,
Inc. an Incumbent Local Exchange Carrier in the Iowa Exchanges of Oxford,
Tiffin and Solon,
WC Docket No. 04-347**

Dear Ms. Dortch:

South Slope Cooperative Telephone Company, Inc. (South Slope), by its attorneys, hereby submits updated penetration numbers and a recent order from the Iowa Utilities Board (IUB) in connection with its above-referenced Petition. The updated penetration numbers attached hereto show that South Slope has increased the percentage of subscribers that it serves in the Solon, Tiffin and Oxford exchanges to over 90%. In addition, South Slope hereby submits a recently released order by the Iowa Utilities Board concerning the intrastate aspects of South Slope's boundary expansion into the Solon, Tiffin and Oxford exchanges. South Slope believes that the IUB's Order does not impact South Slope's Petition before this Commission in any way.

Pursuant to Section 1.1206 of the Commission's rules, this letter is being electronically filed with your office. Please associate this letter with the file in the above-referenced proceeding. If you have any questions concerning this matter, please contact me.

Sincerely,

/s/ Mary J. Sisak

Benjamin H. Dickens, Jr.

Mary J. Sisak

cc: Ann Stevens
Claudia Pabo
John Adams

JANUARY 23, 2007

SOUTH SLOPE COOPERATIVE TELEPHONE
COMPANY

LINE COUNTS FOR SOLON, TIFFIN AND OXFORD

TOTAL SUBSCRIBERS ALL THREE AREAS= 3,638 (100%)

TOTAL SUBSCRIBERS WITH SOUTH SLOPE= 3,286 (90.32%)

TOTAL SUBSCRIBERS WITH IOWA TELECOM=352 (9.68 %)

Approximate figures- subscriber count taken from phone book

SOLON SOUTH SLOPE=1,565 DIAL TONE SUBS (90.2%)

SOLON IOWA TELECOM DIAL TONE SUBSCRIBERS = 170 (9.8 %)

TIFFIN SOUTH SLOPE = 999 DIAL TONE SUBS (89.6 %)

TIFFIN IOWA TELECOM SUBSCRIBERS =116 (10.4 %)

OXFORD SOUTH SLOPE = 722 DIAL TONE SUBS (91.62 %)

OXFORD IOWA TELECOM SUBSCRIBERS = 66 (8.38 %)

In addition, South Slope has the following number of high speed subscribers:

SOLON SOUTH SLOPE HIGH SPEED SUBSCRIBERS= 690

TIFFIN SOUTH SLOPE HIGH SPEED SUBSCRIBERS = 362

OXFORD SOUTH SLOPE HIGH SPEED SUBS = 265

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

<p>IN RE:</p> <p>IOWA TELECOMMUNICATIONS SERVICES, INC., d/b/a IOWA TELECOM,</p> <p style="text-align:right">Complainant,</p> <p style="text-align:center">vs.</p> <p>SOUTH SLOPE COOPERATIVE TELEPHONE COMPANY,</p> <p style="text-align:right">Respondent.</p>	<p style="text-align:right">DOCKET NO. FCU-06-25</p>
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FINAL ORDER

(Issued January 23, 2007)

PROCEDURAL HISTORY

On February 1, 2006, Iowa Telecommunications Services, Inc., d/b/a Iowa Telecom (Iowa Telecom), filed a complaint including a request for declaratory order against South Slope Cooperative Telephone Company (South Slope). On February 14, 2006, South Slope submitted a petition for intervention, a motion to dismiss the declaratory proceeding, a motion to sever the various counts of the complaint, and a motion for an expedited ruling regarding South Slope's obligation to file an answer.

Iowa Telecom filed its initial pleading as a "Complaint (including Request for Declaratory Order)." In Count I of that pleading, Iowa Telecom stated that the

Utilities Board (Board) should issue a declaratory order ruling that Iowa Telecom is the sole incumbent local exchange carrier (ILEC) and South Slope is a competitive local exchange carrier (CLEC) in Iowa Telecom's Oxford, Solon, and Tiffin exchanges.

Enumerated as Counts II through V of its initial pleading, Iowa Telecom also sought relief on four other items. In Count II, Iowa Telecom requested the Board issue an order requiring South Slope to conform its Local Exchange Routing Guide (LERG) entries to associate the numbering resources that it uses to serve customers located in the Oxford, Solon, and Tiffin exchanges with Iowa Telecom's Oxford, Solon, and Tiffin rate centers and that South Slope make all further necessary operational changes to permit Iowa Telecom to serve former South Slope customers in these exchanges who desire to port their numbers to Iowa Telecom.

In Count III, Iowa Telecom requested an order requiring South Slope to cease charging the carrier common line charge (CCLC) as a part of its access service charge in these three exchanges and provide notice to any interexchange carrier that made any originating or terminating intrastate access charge payment to South Slope in the prior 24 months that refunds are permitted.

In Count IV, Iowa Telecom requested an order directing the parties to restart the clock related to their efforts to negotiate a new interconnection agreement at day 140 of the timeline established at 47 U.S.C. § 252(a) and (b).

In Count V, Iowa Telecom stated that an order should be issued commencing an investigation into the issue of whether South Slope has been reporting access

lines served in these three exchanges as ILEC lines and receiving universal service support on such basis. On July 24, 2006, Iowa Telecom withdrew Count V, without prejudice to re-filing.

On March 2, 2006, the Board issued an order declining to issue a declaratory ruling, determining that Iowa Telecom's petition raised fact issues that would be more appropriately resolved in a complaint proceeding.¹

On March 10, 2006, South Slope responded to Iowa Telecom's complaint pursuant to the Board's March 2 order.

On July 10, 2006, South Slope renewed its February 14 request to dismiss Count II of the complaint, arguing that Iowa Telecom's request for South Slope to conform its LERG entries to associate the numbering resources that it uses to serve customers is nothing more than a local number portability (LNP) implementation issue between Iowa Telecom and South Slope. South Slope argues this is a dispute that should be determined by the North American Numbering Council (NANC), subject to review by the Federal Communications Commission (FCC).

On July 24, 2006, Iowa Telecom filed a resistance to South Slope's motion to dismiss, arguing that the matters raised in Count II do not pertain to new LNP deployment rules for unique circumstances as asserted by South Slope. Rather, Iowa Telecom states that the issues in Count II address the application of existing FCC rules, Board rules, and industry standards.

¹ "Order Declining To Issue Declaratory Ruling and Opening Complaint Proceeding," Docket Nos. DRU-06-1 and FCU-06-25 (issued March 2, 2006).

A hearing was held on August 10, 2006, for the purpose of receiving testimony and cross-examination of all witnesses. The parties submitted initial briefs on September 1, 2006, and reply briefs on September 15, 2006.

Discussion

Iowa Telecom's complaint against South Slope includes allegations that South Slope has failed to provide LNP, has improperly assessed the carrier common line charge, and has refused to negotiate an interconnection agreement with Iowa Telecom as a competitive carrier. Iowa Telecom asserts that South Slope has engaged in each of these courses of conduct in large part based on South Slope's incorrect assertion that it has been, and currently is, operating as an ILEC rather than a CLEC in the subject exchanges.

This discussion will first address the underlying issue of whether South Slope is an ILEC before addressing the additional allegations raised by Iowa Telecom.

COUNT I

Whether South Slope is an ILEC in the Oxford, Solon, and Tiffin exchanges.

Iowa Telecom argues that South Slope should be classified as a CLEC in the Oxford, Solon, and Tiffin exchanges under both Iowa and federal law.

Iowa Telecom states that its predecessor, GTE, operated as an ILEC in the Oxford, Solon, and Tiffin exchanges and that no modifications have been made to the applicable certificates that were issued to GTE on September 29, 1992, pursuant to Iowa Code § 476.29. Iowa Telecom states that South Slope serves as the

historical rate-regulated ILEC in the North Liberty, Iowa, exchange pursuant to its certificate issued on September 29, 1992, and that South Slope's original certificate did not include the Oxford, Solon, and Tiffin exchanges. Rather, South Slope's certificate was amended in 1996 and again in 1997 to allow South Slope to expand its service into these three exchanges and to allow South Slope to operate as a CLEC in those expanded exchanges. Iowa Telecom also points out that South Slope effectively acknowledged itself as a CLEC in the Oxford, Solon, and Tiffin exchanges when it petitioned the FCC to be treated as an ILEC in those exchanges.

South Slope argues that when the Board approved its application to modify its certificate to expand its service territory to include the Oxford, Solon, and Tiffin exchanges, the Board incorporated those exchanges into the North Liberty exchange where South Slope serves customers as the ILEC. South Slope claims that the incorporation of those exchanges into the North Liberty exchange by the Board, coupled with the fact that South Slope serves customers in the Oxford, Solon, and Tiffin exchanges as a part of the North Liberty exchange, means that South Slope is also an ILEC in the Oxford, Solon, and Tiffin exchanges.

Discussion

Federal and state laws do not define the terms "incumbent local exchange carrier" and "competitive local exchange carrier" in the same manner, but they have similar terms that should be given the same meaning for purposes of this order. Iowa Code § 476.96(3) defines a "competitive local exchange service provider" (CLESP) as being:

any person, including a municipal utility, that provides local exchange services, other than a local exchange carrier or a nonrate-regulated wireline provider of local exchange services under an authorized certificate of public convenience and necessity within a specific geographic area described in maps filed with and approved by the board as of September 30, 1992.

Thus, state law defines a competitive provider principally by excluding incumbent providers. This appears to be substantially similar to the federal law definition of a CLEC, which is defined in 47 U.S.C. § 61.26(a)(1) as follows:

CLEC shall mean a local exchange carrier that provides some or all of the interstate exchange access services used to send traffic to or from an end user and does not fall within the definition of "incumbent local exchange carrier" in 47 U.S.C. § 251(h).

Iowa Code § 476.96(5) defines a "local exchange carrier" (LEC) (the incumbent provider) as:

any person that was the incumbent and historical rate-regulated wireline provider of local exchange services or any successor to such person that provides local exchange services under an authorized certificate of public convenience and necessity within a specific geographic area described in maps filed with and approved by the board as of September 30, 1992.

Federal law defines an ILEC in 47 U.S.C. § 251(h)(1) as being:

[T]he local exchange carrier that--

(A) on February 8, 1996, provided telephone exchange service in such area; and

(B)(i) on February 8, 1996, was deemed to be a member of the exchange carrier association pursuant to section 69.601(b) of the Commission's regulations (47 CFR § 69.601(b)); or

(ii) is a person or entity that, on or after February 8, 1996, became a successor or assign of a member described in clause (i).

Based on these definitions, state law has created a system where there is only one LEC, or incumbent, in any specific geographic area and that LEC is the carrier that provided service in that area on September 30, 1992 (or its successor). Since South Slope was neither the carrier nor the successor that provided service in the Oxford, Solon, or Tiffin exchanges on September 30, 1992, the Board's interpretation of the state statutes is that South Slope is a CLESP in those exchanges.²

The Federal law is similar, but not identical, in effect. Section 251(h)(1) of the Telecommunications Act of 1996 (Act) allows for multiple carriers to be designated an ILEC in a specified geographic area. (47 U.S.C. § 251(h)(1)). As Iowa Telecom points out, South Slope acknowledged itself as a CLEC (for federal law purposes) in the Oxford, Solon, and Tiffin exchanges when it petitioned the FCC for designation as the ILEC in these exchanges.³ The Board's written comments to the FCC regarding South Slope's petition make it clear that, as of the time of those comments, the Board had not made an explicit finding regarding South Slope's status in the subject exchanges under state law.⁴

² For purposes of this proceeding, "CLESP" and "CLEC" will be considered to have the same meaning.

³ South Slope filed its "Petition for Order Declaring South Slope Incumbent Local Exchange Carrier in Iowa Exchanges of Oxford, Tiffin, and Solon" with the FCC on August 24, 2004. The filing has been designated as WC Docket No. 04-347 and the Board filed comments in that docket. To date, the FCC has not acted on South Slope's petition.

⁴ "Reply Comments of the Iowa Utilities Board," WC Docket No. 04-347, October 4, 2004.

Nothing in the testimony or briefs offered by the parties changes the Board's original interpretation of the Iowa statutes that South Slope is operating as a CLESP in the Oxford, Solon, and Tiffin exchanges. Therefore, the Board determines that under state law, South Slope is a CLESP in the Oxford, Solon, and Tiffin exchanges.

COUNT II

Whether South Slope has failed to permit local number portability in the Oxford, Solon, and Tiffin exchanges.

Section 251(b)(2) of the Act requires each "local exchange carrier . . . to provide, to the extent technically feasible, number portability." 47 U.S.C. § 251(b)(2). Since South Slope is a local exchange carrier, it has an obligation to provide local number portability (LNP) pursuant to federal law.

Both parties agree that porting numbers between South Slope's current expanded North Liberty exchange, which includes the communities of Oxford, Solon, and Tiffin, and Iowa Telecom's separate Oxford, Solon, and Tiffin exchanges, is technically feasible. (Tr. 99, 248). The parties disagree, however, as to whether LNP as proposed by South Slope complies with FCC and industry standards, because of the manner in which South Slope proposes to provide it.

Iowa Telecom contends that South Slope's offer of LNP from North Liberty to the subject exchanges is contrary to industry standards because it would require porting numbers across rate center boundaries. Iowa Telecom states that South Slope has made entries in industry databases, including the LERG (the industry database on which carriers rely for the proper routing and rating of traffic) that have

the effect of preventing LNP. (Iowa Telecom Brief, pp. 11, 13). The FCC limits wireline-to-wireline porting between carriers with facilities or numbering resources within the same rate center.⁵ Iowa Telecom asserts that South Slope changed its LERG entries so that its central office codes originally associated with the Oxford, Solon, and Tiffin exchanges are now associated with the North Liberty exchange.⁶ According to Iowa Telecom, the current manner in which South Slope is using the LERG means that Iowa Telecom cannot lawfully port telephone numbers between itself and South Slope for customers living in Oxford, Solon, or Tiffin because South Slope's LERG entries do not associate those exchanges with the same rate center as Iowa Telecom's Oxford, Solon, and Tiffin exchanges. (Iowa Telecom Brief, p. 15).

Iowa Telecom also argues that South Slope's LERG entries create another disadvantage for Iowa Telecom because the North Liberty rate center enjoys extended area service (EAS) with Qwest Corporation's (Qwest) Cedar Rapids rate center. After South Slope moved the central office codes for Oxford, Solon, and Tiffin to North Liberty, South Slope's customers in those exchanges have enjoyed access to the EAS benefit associated with the original North Liberty exchange. If one of these customers were to port back to Iowa Telecom, that benefit would be lost. Moreover, Iowa Telecom states that under this scenario, Qwest may be required to

⁵ See Telephone Number Portability, "Memorandum Opinion and Order," 18 FCC Rcd 23697, (November 10, 2003), ¶7.

⁶ Iowa Telecom also points out that over the years the rate center associations for these exchanges have changed back and forth between the Oxford, Solon, and Tiffin rate centers and South Slope's North Liberty rate center, demonstrating that these numbers can be assigned in the proper manner in Iowa Telecom's view. (Iowa Telecom Brief, p. 15; Tr. 208).

treat calls from Cedar Rapids to South Slope's customers in Oxford, Solon, or Tiffin, as local calls, but because Iowa Telecom's central office codes are correctly associated with Oxford, Solon, and Tiffin, Qwest does not have to afford toll-free treatment to calls from Cedar Rapids to Iowa Telecom's customers.

South Slope responds to these allegations by stating that a solution could be negotiated between South Slope and Iowa Telecom so that calls would be routed according to switch translations based on the local routing number (LRN). South Slope argues that the LERG entries reflect the Board's approved expansion of the North Liberty exchange to include the Oxford, Solon, and Tiffin exchanges. (Tr. 254). South Slope asserts that the blocks of numbers, commonly referred to as NXXs, it acquired to serve Oxford, Solon, and Tiffin should reside in the North Liberty exchange to reflect the expanded North Liberty status. South Slope also argues that the parties have a difference of opinion concerning the implementation of LNP and the meaning of the LERG and that the FCC intended for such differences to be addressed by the NANC, not by state public utility commissions. South Slope again requests that this count of Iowa Telecom's petition be dismissed for lack of jurisdiction, stating that it is more appropriate for the issue to be presented to the NANC.

Discussion

The FCC's intermodal porting order states the following regarding wireline-to-wireline porting within the same rate center:

In 1997, in the Local Number Portability *Second Report and Order*, the Commission adopted recommendations from the North American Numbering Council (NANC) for the implementation of wireline-to-wireline number portability. Under the guidelines developed by the NANC, porting between LECs was limited to carriers with facilities or numbering resources in the same rate center to accommodate technical limitations associated with the proper rating of wireline calls. The NANC guidelines made no recommendations regarding limitations on intermodal porting.

Telephone Number Portability, "Memorandum Opinion and Order," 18 FCC Rcd.

23697, ¶ 7 (footnotes omitted). This paragraph appears to be the FCC's most concise statement on this issue and it indicates that wireline porting between LECs is intended to occur only within the same rate center.

Currently, an Iowa Telecom customer living in the town of Oxford would be considered to be in the Oxford rate center, while a South Slope customer living in the town of Oxford would be considered, for telecommunications purposes, to be in the North Liberty rate center. In the paragraph cited above, the FCC appears to preclude number portability in this situation. South Slope's facilities, like its customers, may be in the same geographic area as Iowa Telecom's, but they are not in the same rate centers because of the changes that were made to the LERG by South Slope.

In its initial motion to dismiss this count of Iowa Telecom's complaint, South Slope cites to 47 C.F.R. § 52.26(b)(3) in support of its argument that the NANC, not the Board, is the appropriate venue for this issue. South Slope, however, did not cite to the previous subparagraph, which helps to put the NANC's authority in proper context. Together, the two sections read as follows:

(b)(2) The regional limited liability companies (LLCs), already established by telecommunications carriers in each of the original Bell Operating Company regions, shall manage and oversee the local number portability administrators, subject to review by the NANC, but only on an interim basis, until the conclusion of a rulemaking to examine the issue of local number portability administrator oversight and management and the question of whether the LLCs should continue to act in this capacity; and

(b)(3) The NANC shall provide ongoing oversight of number portability administration, including oversight of the regional LLCs, subject to Commission review. Parties shall attempt to resolve issues regarding number portability deployment among themselves and, if necessary, under the auspices of the NANC. If any party objects to the NANC's proposed resolution, the NANC shall issue a written report summarizing the positions of the parties and the basis for the recommendation adopted by the NANC. The NANC Chair shall submit its proposed resolution of the disputed issue to the Chief of the Wireline Competition Bureau as a recommendation for Commission review. The Chief of the Wireline Competition Bureau will place the NANC's proposed resolution on public notice. Recommendations adopted by the NANC and forwarded to the Bureau may be implemented by the parties pending review of the recommendation. Within 90 days of the conclusion of the comment cycle, the Chief of the Wireline Competition Bureau may issue an order adopting, modifying, or rejecting the recommendation. If the Chief does not act within 90 days of the conclusion of the comment cycle, the recommendation will be deemed to have been adopted by the Bureau.

In context, it is apparent that § 52.26(b)(3) pertains to a dispute resolution process for disputes between the regional LLCs and the local number portability database administrator, Neustar, Inc. When §§ 52.26(b)(2) and (3) are read

together, there is no indication that the NANC has exclusive authority to resolve all LNP disputes between any local exchange carriers.

The Board agrees with Iowa Telecom's assessment that this complaint concerns enforcement of LNP requirements, not creation of a LNP implementation scheme. (Iowa Telecom Reply Brief, p. 13). Requiring South Slope to change its LERG entries to reflect the traditional Oxford, Solon, and Tiffin rate centers does not constitute "implementation" of LNP but rather enforces the existing interpretation of LNP requirements and the local exchange boundaries defined by the Board. The FCC has previously held that state commissions have the authority to approve rate center boundaries. (Ex. 154, fn. 174). As such, it follows that the Board also has the authority to require South Slope to adjust its LERG entries to accurately reflect the correct boundaries.

The Board also agrees with Iowa Telecom that South Slope's offering to provide LNP from North Liberty is contrary to industry standards. Therefore, the Board directs South Slope to take the steps necessary to enable Iowa Telecom to implement LNP so that porting will occur within the boundaries of the traditional Oxford, Solon, and Tiffin rate centers. The Board also directs South Slope to file a report within 45 days of the issuance of this order that details the steps South Slope has taken, such as corrections to the LERG and filings with the North American Number Pooling Administrator (NANPA), that serve to re-associate South Slope's NXXs with the traditional rate centers of Oxford, Solon, and Tiffin. If the process is not completed by the time the report is filed, South Slope shall also report the

remaining steps to be taken, including a timeline for making all necessary corrections in the minimum reasonable time.

COUNT III

Whether South Slope is charging unlawfully high access charges in the subject exchanges.

Iowa Telecom alleges that South Slope is assessing three cents per minute to Iowa Telecom and other interexchange carriers as a carrier common line charge for originating or terminating intrastate interexchange traffic in the Oxford, Solon, and Tiffin exchanges and that this practice results in an unlawfully high access charge in violation of 199 IAC 22.14(2)"d"(1)"2," which provides, in pertinent part, that:

[a] competitive local exchange carrier that concurs in the Iowa Telephone Association (ITA) Access Tariff No. 1 and that offers service in exchanges where the incumbent local exchange carrier's intrastate access rate is lower than the ITA access rate shall deduct the carrier common line charge from its intrastate access service tariff.

Iowa Telecom states that South Slope is charging 72 percent more than Iowa Telecom charges per minute for originating intrastate access and 84 percent more than Iowa Telecom charges per minute for terminating intrastate access for customers located in the same exchanges.

Iowa Telecom also alleges that South Slope has obscured its CLEC status in the Oxford, Solon, and Tiffin exchanges by using its ILEC operating company number (OCN) in the LERG. Iowa Telecom states that the National Exchange Carrier

Association requires carriers to use distinct OCNs for their ILEC and CLEC operations.

South Slope does not dispute that it concurs in the ITA access tariff for the service it provides to customers in the Oxford, Solon, and Tiffin exchanges or that Iowa Telecom's intrastate access rates are lower than South Slope's access rates in those exchanges. (Tr. 25). South Slope argues, however, that it is not a CLEC in the Oxford, Solon, and Tiffin exchanges and maintains that the access charges are correct and consistent with its certificate and approved tariff. (Tr. 256; Ex. 2, p. 8). South Slope states that it treats the expanded North Liberty exchange areas the same way it treats other ILEC areas by serving the Oxford, Solon, and Tiffin exchanges with its ILEC OCN rather than a CLEC OCN. (Tr. 170; 26-27).

Discussion

The Board's decision regarding whether South Slope is entitled to collect the CCLC on intrastate interexchange calls to and from customers in the subject exchanges hinges on the determination of whether South Slope is an ILEC or CLEC in the Oxford, Solon, and Tiffin exchanges. The Board's rule is clear and undisputed; CLECs that concur with the ITA Access Service Tariff No. 1 and that offer service in exchanges where the ILEC's intrastate access rate is lower than the ITA access rate shall deduct the CCLC from its intrastate access service tariff. (199 IAC 22.14(2)"d"(1)"2").

The Board determined previously in this order that South Slope is a CLEC in the Oxford, Solon, and Tiffin exchanges.⁷ It is not disputed that South Slope concurs in the ITA Access Service Tariff No. 1, nor is it disputed that Iowa Telecom's intrastate access rate is less than the ITA tariff rate for originating and terminating traffic in the subject exchanges. The Board notes that South Slope did not provide evidence in this docket regarding its cost of serving customers in the Oxford, Solon, and Tiffin exchanges that might support its ability to assess the higher access charge rates. Therefore, the Board directs South Slope to discontinue charging the CCLC in the Oxford, Solon, and Tiffin exchanges, within 30 days of the date of this order. In addition, the Board requires South Slope to file a report with the Board within 45 days of the issuance of this order that details the steps taken to assure that interexchange carriers will no longer be assessed the CCLC as a part of intrastate interexchange access rates for access to customers in the traditional rate centers of Oxford, Solon, and Tiffin. The report should also state whether South Slope has obtained a CLEC OCN to implement the Board's decision.

⁷ Strictly speaking, the Board determined that South Slope is a "CLESP" in those exchanges, reflecting the statutory terminology. While rule 22.14 uses the industry-standard term, "CLEC," the intent of the rule, when stated in Iowa statutory terms, is such that CLESP and CLEC are interchangeable.

COUNT IV

Whether South Slope has refused to negotiate an interconnection agreement with Iowa Telecom.

Iowa Telecom states that because South Slope continues to insist that it is an ILEC in the Oxford, Solon, and Tiffin exchanges, Iowa Telecom has been unable to negotiate a new interconnection agreement with South Slope pursuant to 47 U.S.C. §§ 251 and 252. Iowa Telecom states that without a valid interconnection agreement, it cannot exercise its rights to resell South Slope's services in those exchanges or to access South Slope's rights-of-way, among other things. (Tr. 32-33). Iowa Telecom asks the Board to direct the parties to "restart" the negotiations between Iowa Telecom and South Slope at day 140 of the timeline established in 47 U.S.C. §§ 252(a) and (b), with South Slope recognizing its CLEC status.

South Slope states that Iowa Telecom has not produced any evidence of bad faith, wrongdoing, or liability by South Slope, nor has Iowa Telecom produced evidence of damages or harm sustained by Iowa Telecom from the absence of a negotiated interconnection agreement. South Slope also states that the evidence in this docket demonstrates that there were sustained negotiations conducted in good faith with business solutions consistently offered to Iowa Telecom. (Tr. 257-64; Ex. 107-123).

Discussion

Section 252(b)(1) provides an opportunity for local exchange carriers to apply to their state commissions to arbitrate any open issues relating to an interconnection

agreement when negotiations have not been successful. The window to apply for arbitration is between the 135th day and the 160th day after the date on which a carrier receives a request for negotiation. Iowa Telecom sent such a request to South Slope on October 30, 2003, and negotiations ensued. However, they were not entirely successful, and on March 25, 2004, Iowa Telecom and South Slope agreed to suspend negotiations and stop the clock at day 140. The parties have not restarted that clock. (Tr. 28-29).

The Board finds that restarting the clock at day 140, as requested by Iowa Telecom, would give the parties only 20 days to finalize an agreement before a petition for arbitration would have to be filed. If an agreement could not be reached in that short time span, Iowa Telecom might be forced to file a petition for arbitration with the Board on day 160. At the hearing in this proceeding, the Board asked both parties if they had any objections to restarting the clock before day 140 and Iowa Telecom suggested restarting the clock at day 120 to provide the parties additional time for negotiation. (Tr. 147). South Slope also did not object to re-starting the clock before day 140. (Tr. 230-31). Therefore, the Board directs that the negotiation timeline set forth in 47 U.S.C. §§ 252(a) and (b) will restart at day 120, beginning the first day after the issuance of this order.

FINDINGS OF FACT

1. South Slope's offering of LNP from the North Liberty exchange for customers located in the Oxford, Solon, and Tiffin exchanges is contrary to industry standards because it requires porting across rate center boundaries.
2. South Slope is improperly charging three cents per minute CCLC for originating and terminating intrastate interexchange traffic on services provided for customers located in the Oxford, Solon, and Tiffin exchanges.

CONCLUSIONS OF LAW

1. The Board has jurisdiction of this matter pursuant to Iowa Code §§ 17A.9, 17A.12, 476.2, 476.3, and 199 IAC chapters 4 and 7.
2. South Slope is offering local exchange service as a CLESP, or CLEC, in the Oxford, Solon, and Tiffin, Iowa, exchanges.
3. The Board has the authority to require South Slope to adjust its LERG entries to accurately reflect the rate center boundaries.
4. South Slope's assessment of a CCLC to Iowa Telecom for originating and terminating intrastate interexchange traffic is in violation of 199 IAC 22.14(2)"d"(1)"2."

ORDERING CLAUSES

IT IS THEREFORE ORDERED:

1. South Slope Cooperative Telephone Company shall take all steps necessary to enable Iowa Telecommunications Services, Inc., d/b/a Iowa Telecom, to

implement local number portability so that porting will occur within the boundaries of the traditional Oxford, Solon, and Tiffin, Iowa, rate centers as described in the body of this order. This action should be completed in the minimum reasonable time.

2. The Board directs South Slope Cooperative Telephone Company to stop charging a carrier common line charge as an element of intrastate access charges in the traditional Oxford, Solon, and Tiffin, Iowa, exchanges as described in the body of this order.

3. The Board directs the parties to restart the negotiation timeline set forth in 47 U.S.C. §§ 252(a) and (b) at day 120, beginning the first day after the issuance of this order.

4. The Board directs South Slope Cooperative Telephone Company to file a report with the Board within 45 days of the issuance of this order describing the steps taken to ensure the implementation of local number portability and the removal of the carrier common line charge as described in the body of this order.

UTILITIES BOARD

/s/ John R. Norris

/s/ Curtis W. Stamp

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

Dated at Des Moines, Iowa, this 23rd day of January, 2007.